

22 October 2019

Ciaren McGuire  
via FYI.org.nz

Dear Ciaren

**REQUEST FOR INFORMATION UNDER THE OFFICIAL INFORMATION ACT 1982 (OIA)**  
**(FMA REF: CAS-54000)**

1. We refer to your official information request to the Financial Markets Authority (**FMA**) dated 24 September 2019 asking for information relating to the FMA's participation in the October 2019 ACAMS Conference (**ACAMS Conference**) and more generally about the FMA's anti-money laundering (AML) regulatory resources (**FMA's AML resource**).

2. We set out your specific queries and respond to them below.

**ACAMS Conference**

*How many staff are attending?*

3. The FMA had 18 staff who attended the ACAMS conference.

*What is the job title of each attendee and how each will be improved in their specific job by attending?*

4. The job titles of the 18 conference attendees are:

- Head of Enforcement
- Manager, Enforcement
- Senior Forensic Accountant, Evidence and Investigations
- Senior Solicitor, Corporate Legal
- Manager, Investigations
- Manager, Supervision
- Two Principal Advisers, Supervision
- Seven Senior Advisers, Supervision
- Three Advisers, Supervision

5. The FMA is one of three AML/ Countering the Financing of Terrorism (CFT) Supervisors in New Zealand, and supervises around 800 reporting entities for compliance with the AML/CFT obligations in the AML/CFT Act 2009. Supervisors play a critical role in combating money laundering and terrorism financing by:

- Helping businesses comply with the Act and Regulations;
- Monitoring and assessing money laundering and terrorism financing risks in their sectors and helping businesses understand these risks;
- Investigating potential breaches and enforcing the law when necessary; and
- Ensuring rules work well and that there's a level playing field for regulated businesses.

6. The ACAMS conference is one of the largest annual AML/CFT conferences held in New Zealand. There is good attendance by the three AML/CFT Supervisors, supervised entities and other interested stakeholders. The conference is run by the Police's Financial Intelligence Unit (FIU) together with ACAMS, which is an international body dedicated to enhancing knowledge, skills and experience of

AML/CFT professionals. Each ACAMS/FIU conference involves a number of high-calibre international and national speakers who discuss emerging trends and issues with AML/CFT regulation worldwide.

7. The recent 2019 conference included speakers from the international law enforcement community who provided insights on investigations into recent terrorism events and the use of information gathered from AML/CFT compliance functions in these investigations. There were also sessions dedicated to New Zealand's upcoming mutual evaluation by the international body responsible for setting worldwide AML/CFT standards, the Financial Action Task Force (FATF). In addition, emerging issues such as crypto-currency and virtual assets which pose risks for AML/CFT compliance worldwide were discussed. Staff from the FMA's Supervision team and Corporate Legal team presented sessions at the conference. The conference also provided dedicated sessions for each of the three AML/CFT Supervisors to discuss sector specific issues with reporting entities from their sectors. FMA staff ran one of these workshops.
8. Attendance at the conference is therefore incredibly valuable for FMA staff. It assists staff in keeping abreast of emerging issues and current trends and develops staff expertise and knowledge to undertake the FMA's functions as an effective AML/CFT Supervisor. Conference attendance is also very beneficial to the FMA staff who are currently preparing for the mutual evaluation of New Zealand by the FATF. In addition, attendance provides staff with the opportunity to build relationships with peer AML/CFT Supervisors and the law enforcement community which is valuable for sharing knowledge and supporting each other in undertaking AML/CFT regulation more effectively. The conference also provides the opportunity for Supervisors to build relationships with the entities it supervises which helps to support better compliance with AML/CFT regulations.
9. In addition, 15 of 18 the FMA staff who attended the conference are ACAMS members, and of these 15 ACAMS members, 12 are qualified as Certified Anti-Money Laundering Specialists (CAMS) and the remaining 3 are enrolled to sit the CAMS examination shortly. Attendance at the conference supports learning for the CAMS qualification and contributes to the continuing professional development requirements of the ACAMS membership. The study required for the CAMS certification gives staff the expertise and knowledge needed to undertake the FMA's functions as an AML/CFT Supervisor. Ongoing ACAMS membership provides members with access to AML/CFT and financial crime-related resources, including information, free training materials and an international network of experienced professionals to engage with for guidance and support.

*Where in NZ each attendee in each role is based and on what basis they were chosen to attend?*

10. Of the 18 staff who attended the conference, 11 are based in Auckland and seven in Wellington:

<b>Auckland</b>	<b>Wellington</b>
Head of Enforcement	Manager, Enforcement
Principal Adviser, Supervision	Senior Solicitor, Corporate Legal
Adviser, Supervision	Manager, Investigations
Adviser, Supervision	Manager, Supervision
Senior Adviser, Supervision	Principal Adviser, Supervision
Senior Adviser, Supervision	Adviser, Supervision
Senior Adviser, Supervision	Senior Adviser, Supervision
Senior Adviser, Supervision	
Senior Adviser, Supervision	
Senior Adviser, Supervision	
Senior Forensic Accountant, Evidence and Investigations	

11. Attendees were chosen on the basis of the relevance of increasing their AML/CFT capability and expertise in light of the work they undertake, and their availability.
12. Some of the staff attending were also presenting at the conference and the sector supervision workshop.

*How much taxpayer money was paid for the attendance of each staff member?*

13. Below at 14 and 16 we set out the costs for attending the conference. This does not however represent how much “taxpayer money” was paid for the attendance of each staff member. The FMA is funded in part by a levy charged to financial market participants. The levy makes up approximately 70% of FMA’s funding. The remaining 30% comes from Crown funding (we understand this is most likely what you mean by “taxpayer money”).
14. For conference attendance, four staff were given free registration, the FMA paid the members’ registration fee of \$720 for 11 staff, and the non-members’ registration fee of \$800 for three staff.

*How much taxpayer money was spent on travel, accommodation, and food/other expenses for each staff member that these expenses applied to?*

15. As the conference was in Wellington, the FMA paid accommodation, transport and meal expenses for attendees usually based in Auckland.
16. In accordance with section 9(2)(a) of the OIA, in order to protect the privacy of natural persons we have not broken down these costs for each individual staff member. Instead, we provide the aggregated costs of Auckland-based staff attending the conference in Wellington:

Accommodation	\$3,242
Transport	\$3,981
Meals	\$1,238

17. Having provided the aggregated costs that the FMA incurred, we consider that withholding the individual staff cost information under section 9(2)(a) of the OIA is not outweighed by other considerations which render it desirable, in the public interest, to make the information available.

*How much money if any did the FMA contribute to funding the conference?*

18. The FMA did not contribute any funds to running the ACAMS/FIU conference.

#### **FMA’s AML resource**

*How many of your staff are members of ACAMS or other AML related professional bodies in cases that the FMA pays for their membership and what actual benefit do they get in terms of their ability to better do their jobs from these memberships?*

19. The FMA currently has 19 staff who are members of ACAMS.
20. As noted above at 9 the benefit of ACAMS membership is access to AML/CFT and financial crime-related resources including information, free training materials and an international network of experienced professionals to engage with for guidance and support.

*Please provide a detailed explanation of your AML group and its locations and structures*

21. The FMA does not structure its teams by regulatory subject areas e.g., AML, the Financial Markets Conduct Act 2013, the financial advice regime. The FMA therefore does not have a team specifically dedicated to AML.
22. The team most closely representing what you have referred to as an “AML group” would be the FMA’s Supervision team. The Supervision team’s role involves both monitoring compliance with AML/CFT and taking regulatory action where required, as well as a significant educative function in helping reporting entities understand their obligations. Supervision team’s role also involves liaising with other agencies responsible for NZ’s AML/CFT regulation (including the Department of Internal Affairs, the Reserve Bank of New Zealand and the Ministry of Justice) to ensure an appropriately coordinated approach, inputting on law reform issues, and participating in the international AML/CFT community including assisting with the conduct of FATF mutual evaluations of other jurisdictions, as well as preparing for the current mutual evaluation of New Zealand.
23. The Supervision team comprises of 36 staff, 26 of whom are based in Auckland, and 10 of whom are based in Wellington. These staff are divided into four teams, made up of advisers and senior advisers, each of which is led by a manager. The Supervision team also has four specialist principal advisers who provide support across the teams in relation to a wide range of the FMA’s functions, including two focused on AML/CFT matters.
24. Other teams that provide key supporting roles in assisting the FMA in undertaking its AML/CFT functions include the Evidence and Investigation team, and the Enforcement team who are involved in the investigation and enforcement of AML/CFT matters, the Policy team who are involved in AML/CFT law reform and policy development, and the Corporate Legal team who provide in-house legal advice and support on AML/CFT matters to the other FMA teams across all areas described above. Both the Corporate Legal team and the Policy team provide support to the Ministry of Justice in considering class and individual exemption applications under the AML/CFT Act 2009.

*Please provide salary details for each role in the AML group*

25. As noted at 21, the FMA does not have a specific AML group. However, as we have noted at 22, the team most closely representing what you have referred to as an “AML group” would be the FMA’s Supervision team. We therefore provide salary details for the relevant roles within this team:

<b>Position</b>	<b>Fixed remuneration range</b>
Adviser, Supervision	\$76,840 - \$103,960
Senior Adviser, Supervision	\$98,770 - \$133,630
Manager, Supervision	\$120,400 - \$180,600
Principal Adviser	\$120,400 - \$180,600

26. Note, the FMA uses a fixed remuneration approach to salary. The fixed remuneration comprises of annual base salary and KiwiSaver. Where individuals sit within their fixed remuneration range depends on a number of factors including role size, external market data for the role, and individual skill, knowledge and performance.

*Please provide a detailed explanation of what each role in the AML team actually entails*

27. Again, given the FMA does not have a specific AML group, we similarly provide the position descriptions for the relevant roles within the Supervision team, being the team we consider most closely represents an “AML group”. These are **attached as Schedule 1** to this response.

*Please provide details of all testing that is undertaken on potential recruits for the AML group and the associated criteria that the Department looks for*

28. The FMA is committed to recruiting people with the skills and qualities necessary to carry out their roles effectively, efficiently and in keeping with the FMA’s values and a workplace culture characterised by diversity and inclusion. The recruitment process is designed to be fair and equitable in order to attract, select and retain the best person for a position.
29. All candidates for roles at the FMA are assessed for suitability in light of their work experience, qualifications and other information submitted in written applications. Those short-listed for an interview undergo a competency based interview which is based on the skills and experience required for the role. Following this reference and probity checks are undertaken.
30. For the roles of Adviser, Senior Adviser and Manager, we would not typically undertake psychometric testing as part of the recruitment process. For a Principal Adviser AML/CFT role, as part of the recruitment process, we may consider having a candidate complete a Values Profiling Assessment – this generates a report which assesses how thinking, behaviour and motivation comes together to give a rapid insight into the candidate’s potential strengths and blockers.

*Please provide demographic information as captured by the optional starter equal opportunities voluntary information and any internal reviews. To include gender, ethnicity, professional background and any other demographic captured. Please break this down by role, team and geographic location and please provide this data longitudinally for the last five years (snapshots at three or six monthly intervals will be acceptable)*

31. As noted at 21 the FMA does not have a specific AML group. We therefore we do not hold the information as you have requested and are refusing this request under section 18(g) of the OIA on this basis – i.e., that the we do not hold the information requested.
32. We do however hold, and have reported previously, on FMA wide demographic data (gender, age, ethnicity/nationality, disability, location) in our Annual Report. We have extracted this information from our Annual Reports for the past 5 years. This is **attached as Schedule 2** to this response.

### **Concluding matters**

33. If you have any questions about the information we have provided, or seek further information from us, then please feel free to contact Kristen Ross ([Kristen.Ross@fma.govt.nz](mailto:Kristen.Ross@fma.govt.nz)) in the first instance.
34. Please note you have the right, by way of complaint under section 28 of the OIA to the Ombudsman, to seek an investigation and review of the FMA’s decision. Information about how to make a complaint is available at [www.ombudsman.parliament.nz](http://www.ombudsman.parliament.nz) or phone 0800 802 602.

Yours sincerely



Natalie Muir

Manager, Policy and Governance

## SCHEDULE 1: POSITION DESCRIPTIONS

### POSITION DESCRIPTION

#### Adviser, Supervision

<b>Function</b>	Regulation	<b>Direct Reports</b>	None
<b>Team</b>	Supervision	<b>Location</b>	Auckland/Wellington
<b>Reporting to</b>	Manager, Supervision	<b>Salary Band</b>	5

The Financial Markets Authority (FMA) is responsible for ensuring New Zealand's capital markets and financial services sector provide better outcomes. That's better outcomes for investors, consumers, professionals, businesses, and for the New Zealand economy.

#### **REGULATION PURPOSE ... what we do matters**

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The Regulation team is responsible for monitoring and investigating activities and conduct that pose risks to fair, efficient, and transparent financial markets in New Zealand, and to the objectives and strategic priorities of the FMA.

We strive to deliver these services through an intelligence-led approach that allows us to allocate our resources on the basis of sound risk-assessment to best contribute to the FMA's strategic priorities.

We deliver results by:

-  Licensing and monitoring market participants, including financial markets supervisors, financial advisers, qualifying financial entities, superannuation and KiwiSaver schemes and their providers, discretionary investment management providers, managed investment schemes and their managers, and derivatives issuers
-  Receiving, assessing, and responding to complaints and information from the public and from market participants and using information obtained from these sources to better inform the FMA's teams and regulatory actions
-  Working with supervisors to provide effective oversight of the participants they supervise
-  Developing intelligence frameworks and products to better inform the FMA's regulatory teams and decision-making
-  Investigating suspected breaches of financial markets legislation and other obligations of market participants and using the regulatory tools available to the FMA to address breaches of legislation
-  Supervising anti-money laundering and countering the financing of terrorism law
-  Co-operating with international agencies that share New Zealand's interests in securities and financial services

#### **POSITION PURPOSE ... what you do counts**

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The purpose of this position is to provide high quality regulatory monitoring (proactive and reactive) of market participants in the financial services sector.

The Supervision team monitors the conduct, competency and compliance of financial market participants. Our monitoring focuses on financial advisers, brokers and custodians, managers of Managed Investment Schemes (MIS) and providers of Discretionary Investment Management Services (DIMS).

As part of this supervision, the team has specific responsibility to monitor compliance with:

- ▶ the Financial Advisers Act 2008
- ▶ the Anti-Money Laundering and Countering the Financing of Terrorism Act 2009
- ▶ the Financial Markets Conduct Act 2013
- ▶ seven 'constitutional' Acts set out in Schedule 1, Part 2 of the Financial Markets Authority Act 2011 (with respect to financial market participants).

The team's supervision of market participants is risk-based and intelligence-led. The position will involve active engagement with the entities and individuals supervised by the team, including meetings with senior management, onsite inspections and desk-based reviews of relevant compliance documentation.

## **KEY RESPONSIBILITIES:**

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### **OPERATIONS**

- ▶ Under the supervision of senior team members, undertaking monitoring and surveillance of market participants in accordance with FMA's compliance monitoring framework, ensuring the delivery of high quality regulatory monitoring
- ▶ Engaging with market participants in accordance with FMA's Entity-Based Monitoring principles
- ▶ Reviewing compliance with relevant financial markets legislation and working with FMA's enforcement team to enforce compliance with that legislation
- ▶ Identifying harms and utilising appropriate regulatory tools to treat those harms
- ▶ Working with Compliance's legal team and Regulatory Policy to provide appropriate guidance to entities and individuals supervised by FMA
- ▶ Assessing and reviewing the level of risk of across market participants
- ▶ Assessing an applicant's suitability to become licensed (or otherwise authorised) by FMA against FMA's licensing criteria
- ▶ Identifying and acting on opportunities to improve monitoring services provided by FMA
- ▶ Handling of complaints and enquiries received on market participants

### **TEAM PARTICIPATION**

- ▶ Work as part of the overall FMA team in a way that demonstrates openness; mutual cooperation, respect and trust; commitment and energy; positivity; excellent performance; and a can-do attitude

### **RELATIONSHIPS**

- ▶ Identifying opportunities for and actively engaging with key stakeholders (internal and external) to ensure others are informed, involved and buy-into initiatives and developments.
- ▶ Facilitate positive working relationships and opportunities for collaboration between others in the organisation to promote a connected approach.

From time to time the job holder may be expected to perform other such duties within their experience and capabilities in response to the changing nature of our work environment. The delegations for this position are specified in FMA's Delegations Policy and Framework.

## ▶ **KEY BEHAVIOURS / ATTRIBUTES** ... how you do it counts

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- ▶ Shows drive, enthusiasm, self-motivation, confidence, and initiative independent of direction from others
- ▶ Takes a well-considered, forward thinking and planned approach, but responds with agility and flexibility to change
- ▶ Thinks creatively around issues and makes a positive contribution to solution development and implementation
- ▶ Is willing to take responsibility and be personally held to account

## ▶ **PREREQUISITES** ... what you will bring

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- ▶ Qualifications (Desirable)
  - Tertiary qualification in a relevant discipline
- ▶ Knowledge / Experience / Skills (Desirable)
  - Knowledge and understanding of financial market participants (particularly AFAs and QFEs, brokers and custodians, fund managers, DIMS providers and other financial service providers (e.g. issuers, non-bank deposit takers).
  - Knowledge and understanding of audit and compliance assurance, surveillance and compliance monitoring systems, strategies, policies and processes.
  - Experience in a financial services environment with a leading bank, fund manager, securities house, regulator or accountancy practice is beneficial
  - Skills and experience in operational risk and compliance and/or audit or quality assurance is highly desirable
  - Skills and experience relating to the provision of financial advice. Knowledge and understanding of the knowledge of the Code of Professional Conduct would also be helpful
  - Tertiary qualification in a relevant discipline
  - Capability in learning and adaptation to IT systems (including a high level of Microsoft office skills)
  - Excellent written and verbal communication skills

## **OUR VALUES** ... how we all approach our work

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The success of FMA will depend on the right capability, capacity and commitment of its staff to fulfil its regulatory mandate and have maximum impact on key outcomes. We look for and expect our people, to live and implement our shared values into their daily work practices -

**Bold** - Enterprising, intrepid, daring

**Proactive** - Strategic, can do, forward-thinking

**Respected** - Astute, credible, fair, accountable, consistent, transparent

**Connected** - Visible, in the know, influential

**Agile** - Nimble, adaptable, energetic.



## POSITION DESCRIPTION

### Senior Adviser, Supervision

<b>Function</b>	Regulation	<b>Direct Reports</b>	None
<b>Team</b>	Supervision	<b>Location</b>	Auckland/Wellington
<b>Reporting to</b>	Manager, Supervision	<b>Salary Band</b>	6

The Financial Markets Authority (FMA) is responsible for ensuring New Zealand's capital markets and financial services sector provide better outcomes. That's better outcomes for investors, consumers, professionals, businesses, and for the New Zealand economy.

#### **REGULATION PURPOSE ... what we do matters**

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The Regulation team is responsible for monitoring and investigating activities and conduct that pose risks to fair, efficient, and transparent financial markets in New Zealand, and to the objectives and strategic priorities of the FMA.

We strive to deliver these services through an intelligence-led approach that allows us to allocate our resources on the basis of sound risk-assessment to best contribute to the FMA's strategic priorities.

We deliver results by:

-  Licensing and monitoring market participants, including financial markets supervisors, financial advisers, qualifying financial entities, superannuation and KiwiSaver schemes and their providers, discretionary investment management providers, managed investment schemes and their managers, and derivatives issuers
-  Receiving, assessing, and responding to complaints and information from the public and from market participants and using information obtained from these sources to better inform the FMA's teams and regulatory actions
-  Working with supervisors to provide effective oversight of the participants they supervise
-  Developing intelligence frameworks and products to better inform the FMA's regulatory teams and decision-making
-  Investigating suspected breaches of financial markets legislation and other obligations of market participants and using the regulatory tools available to the FMA to address breaches of legislation
-  Supervising anti-money laundering and countering the financing of terrorism law
-  Co-operating with international agencies that share New Zealand's interests in securities and financial services

#### **POSITION PURPOSE ... what you do counts**

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The purpose of this position is to provide high quality regulatory monitoring (proactive and reactive) of market participants in the financial services sector.

The Supervision team monitors the conduct, competency and compliance of financial market participants. Our monitoring focuses on financial advisers, brokers and custodians, managers of Managed Investment Schemes (MIS) and providers of Discretionary Investment Management Services (DIMS).

As part of this supervision, the team has specific responsibility to monitor compliance with:

- ▶ the Financial Advisers Act 2008
- ▶ the Anti-Money Laundering and Countering the Financing of Terrorism Act 2009
- ▶ the Financial Markets Conduct Act 2013
- ▶ Acts set out in Schedule 1 of the Financial Markets Authority Act 2011.

The team's supervision of market participants is risk-based and intelligence-led. The position will involve active engagement with the entities and individuals supervised by the team, including meetings with senior management, onsite inspections and desk-based reviews of relevant compliance documentation.

This position will be responsible for the more complex issues faced by FMA in its monitoring and supervision activities.

## KEY RESPONSIBILITIES:

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### OPERATIONS

- ▶ Undertaking monitoring and surveillance of market participants in accordance with FMA's compliance monitoring framework, ensuring the delivery of high quality regulatory monitoring
- ▶ Engaging with market participants in accordance with FMA's Entity-Based Monitoring principles
- ▶ Reviewing compliance with relevant financial markets legislation and working with FMA's enforcement team to enforce compliance with that legislation
- ▶ Identifying harms and utilising appropriate regulatory tools to treat those harms
- ▶ Working with Compliance's legal team and Regulatory Policy to provide appropriate guidance to entities and individuals supervised by FMA
- ▶ Assessing and reviewing the level of risk of across market participants
- ▶ Assessing an applicant's suitability to become licensed (or otherwise authorised) by FMA against FMA's licensing criteria
- ▶ Working with the Licensing and Customer Service team and the Manager, Compliance Monitoring Framework to provide efficient and effective licensing assessment and provide feedback on how the licensing assessment process is operating in practice
- ▶ Identifying and acting on opportunities to improve monitoring services provided by FMA
- ▶ Handling of complaints and enquiries received on market participants

### TEAM PARTICIPATION

- ▶ Work as part of the overall FMA team in a way that demonstrates openness; mutual cooperation, respect and trust; commitment and energy; positivity; excellent performance; and a can-do attitude
- ▶ Acting as a role model and supervising the work of more junior advisers as required.

## RELATIONSHIPS

- ▶ Identifying opportunities for and actively engaging with key stakeholders (internal and external) to ensure others are informed, involved and buy-into initiatives and developments.
- ▶ Facilitate positive working relationships and opportunities for collaboration between others in the organisation to promote a connected approach.
- ▶ Develop positive collegial relationships with external parties that further the goals of FMA.

## KNOWLEDGE

- ▶ Knowledge and understanding of financial market participants (particularly AFAs and QFEs, brokers and custodians, fund managers, DIMS providers and other financial service providers (e.g. issuers, non-bank deposit takers).
- ▶ Knowledge and understanding of audit and compliance assurance, surveillance and compliance monitoring systems, strategies, policies and processes.

From time to time the job holder may be expected to perform other such duties within their experience and capabilities in response to the changing nature of our work environment.

The delegations for this position are specified in FMA's Delegations Policy and Framework.

## ▶ KEY BEHAVIOURS / ATTRIBUTES ... how you do it counts

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- ▶ Shows drive, enthusiasm, self-motivation, confidence, and initiative independent of direction from others
- ▶ Leads and empowers others – encourages others to extend themselves and exercise their thinking and decision-making skills
- ▶ Takes a well-considered, forward thinking and planned approach, but responds with agility and flexibility to change
- ▶ Thinks creatively around issues and makes a positive contribution to solution development and implementation
- ▶ Is willing to take responsibility and be personally held to account

## ▶ PREREQUISITES ... what you will bring

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- ▶ Qualifications (Desirable)
  - Tertiary qualification in a relevant discipline
- ▶ Knowledge / Experience / Skills (Desirable)
  - Experience in a financial services environment with a leading bank, fund manager, securities house, regulator or accountancy practice is beneficial
  - Skills and experience in operational risk and compliance and/or audit or quality
  - Skills and experience relating to the provision of financial advice. Knowledge and understanding of the knowledge of the Code of Professional Conduct
  - Strong capability in learning and adaption to IT systems (including a high level of Microsoft office skills)

- Excellent written and verbal communication skills

## **OUR VALUES** ... how we all approach our work

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The success of FMA will depend on the right capability, capacity and commitment of its staff to fulfil its regulatory mandate and have maximum impact on key outcomes. We look for and expect our people, to live and implement our shared values into their daily work practices -

**Bold** - Enterprising, intrepid, daring

**Proactive** - Strategic, can do, forward-thinking

**Respected** - Astute, credible, fair, accountable, consistent, transparent

**Connected** - Visible, in the know, influential

**Agile** - Nimble, adaptable, energetic.

## POSITION DESCRIPTION

### Manager, Supervision

The Financial Markets Authority (FMA) is responsible for ensuring New Zealand's capital markets and financial services sector provide better outcomes. That's better outcomes for investors, consumers,

<b>Function</b>	Regulation	<b>Direct Reports</b>	~5
<b>Team</b>	Supervision	<b>Location</b>	Auckland/Wellington
<b>Reporting to</b>	Head of Supervision	<b>Salary Band</b>	7

professionals, businesses, and for the New Zealand economy.

#### REGULATION PURPOSE ... what we do matters

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The Regulation team is responsible for monitoring and investigating activities and conduct that pose risks to fair, efficient, and transparent financial markets in New Zealand, and to the objectives and strategic priorities of the FMA.

We strive to deliver these services through an intelligence-led approach that allows us to allocate our resources on the basis of sound risk-assessment to best contribute to the FMA's strategic priorities.

We deliver results by:

- Licensing and monitoring market participants, including financial markets supervisors, financial advisers, qualifying financial entities, superannuation and KiwiSaver schemes and their providers, discretionary investment management providers, managed investment schemes and their managers, and derivatives issuers
- Receiving, assessing, and responding to complaints and information from the public and from market participants and using information obtained from these sources to better inform the FMA's teams and regulatory actions
- Working with supervisors to provide effective oversight of the participants they supervise
- Developing intelligence frameworks and products to better inform the FMA's regulatory teams and decision-making
- Investigating suspected breaches of financial markets legislation and other obligations of market participants and using the regulatory tools available to the FMA to address breaches of legislation
- Supervising anti-money laundering and countering the financing of terrorism law

Co-operating with international agencies that share New Zealand's interests in securities and financial services

#### POSITION PURPOSE ... what you do counts

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This position is responsible for managing the day to day operations of the Supervision team's monitoring and supervision activities. This role will ensure the execution of the monitoring function; managing operations and ensuring monitoring visits are conducted on time and to a high standard and that FMA is seen as co-operative and professional.

The Supervision team is part of Regulation and monitors the conduct, competency and compliance of financial market participants. Our monitoring focuses on QFE's financial advisers, brokers and custodians, managers of Managed Investment Schemes (MIS) and providers of Discretionary Investment Management Services (DIMS).

As part of this supervision, the team has specific responsibility to monitor compliance with:

- the Financial Advisers Act 2008
- the Anti-Money Laundering and Countering the Financing of Terrorism Act 2009
- the Financial Markets Conduct Act 2013
- seven 'constitutional' Acts set out in Schedule 1, Part 2 of the Financial Markets Authority Act 2011 (with respect to financial market participants).

The team's supervision of market participants is risk-based and intelligence-led. Supervision is balanced between onsite monitoring visits and desk-based reviews, depending on the level of harm that may occur.

You will work closely with the Head of Supervision and the other managers in the team to ensure that the Supervision team delivers high quality monitoring outcomes. Resources for monitoring engagements will be selected based on capability rather than reporting line, so you will be responsible for ensuring strong collaboration across all team members.

You will be responsible for developing creative, well-researched and effective advice and recommendations to assist the Head of Supervision and Director, Regulation to exercise high quality decision-making around the strategic and operational management of FMA's monitoring and supervision activities.

You will act as the escalation point for the more complex issues faced by FMA in its monitoring and supervision activities.

## KEY RESPONSIBILITIES:

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### OPERATIONS

- ▶ Monitoring engagement leadership, ensuring the delivery of high quality regulatory monitoring of market participants in accordance with FMA's compliance monitoring framework.
- ▶ Provision of effective leadership within the Supervision team, particularly with engagements which involve cross-team collaboration.
- ▶ Provision and implementation of well-reasoned and forward-thinking advice to the Head of Supervision and Director, Regulation relating the overall management of the Supervision team's monitoring and supervision activities.
- ▶ Working with the Head of Supervision to provide proactive identification, analysis and reporting on issues, to ensure the effective management of FMA's monitoring of market participants.
- ▶ Engaging with financial market participants in accordance with FMA's Entity-Based Monitoring principles.
- ▶ Reviewing compliance with relevant financial markets legislation and working with FMA's enforcement team to enforce compliance with that legislation.
- ▶ Identifying harms and utilising appropriate regulatory tools to treat those harms.
- ▶ Working with the General Counsel's legal team and Regulatory Policy to provide appropriate guidance to entities and individuals supervised by FMA .
- ▶ Assessing and reviewing the level of risk of across financial market participants.
- ▶ Taking a leadership role in the assessment of an applicant's suitability to become licensed (or otherwise authorised) by FMA against FMA's licensing criteria.
- ▶ Working with the Licensing, Customer Service and Monitoring Framework teams to provide efficient and effective licensing assessment and provide feedback on how the licensing assessment process is operating in practice.
- ▶ Identifying and acting on opportunities to improve monitoring services provided by FMA.
- ▶ Handling of complaints and enquiries received on financial market participants.

## MANAGEMENT & LEADERSHIP

- ▶ Working with the Head of Supervision to ensure the team has clear direction and knowledge of what is expected of them and why
- ▶ Managing staff within the Supervision team in a way that demonstrates openness; mutual cooperation, respect and trust; commitment and energy; positivity; excellent performance; and a can-do attitude
- ▶ Managing staff in a way that ensures they are challenged and engaged, empowers them to make decisions at a level appropriate to their position, and supports them to achieve what FMA has asked of them.
- ▶ Ensuring the team has a level and quality of staff resourcing to enable it to operate successfully and efficiently. This includes dealing with staff issues, such as performance problems, in a proactive, direct and constructive manner.
- ▶ Acting as a role model and supervising the work of Senior Advisers and Advisers as required.

## RELATIONSHIPS

- ▶ Identifying opportunities for and actively engaging with key stakeholders (internal and external) to ensure others are informed, involved and buy-into initiatives and developments.
- ▶ Facilitate positive working relationships and opportunities for collaboration between others in the organisation to promote a connected approach.
- ▶ Develop positive collegial relationships with external parties that further the goals of FMA.
- ▶ The delegations for this position are specified in FMA's Delegations Policy and Framework. From time to time the job holder may be expected to perform other such duties within their experience and capabilities in response to the changing nature of our work environment.

## ▶ KEY BEHAVIOURS / ATTRIBUTES ... how you do it counts

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- ▶ Shows drive, enthusiasm, self-motivation, confidence, and initiative independent of direction from others
- ▶ Leads and empowers others – encourages others to extend themselves and exercise their thinking and decision-making skills, ensures staff know what is expected of them and have the information and support they need to achieve this
- ▶ Takes a well-considered, forward thinking and planned approach, but responds with agility and flexibility to change
- ▶ Thinks creatively around issues and makes a positive contribution to solution development and implementation
- ▶ Is willing to take responsibility and be personally held to account

## ▶ PREREQUISITES ... what you will bring

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- ▶ Qualifications (Essential/Desirable)
  - Tertiary qualification in relevant discipline
- ▶ Knowledge / Experience / Skills (Essential/Desirable)
  - Knowledge and understanding of financial market participants (particularly AFAs and QFEs, brokers and custodians, fund managers, DIMS providers and other financial service providers (e.g. issuers, non-bank deposit takers).
  - Knowledge and understanding of audit and compliance assurance, surveillance and compliance monitoring systems, strategies, policies and processes.

- Experience in a financial services environment with a leading bank, fund manager, securities house, regulator or accountancy practice is beneficial
- Skills and experience in operational risk and compliance and/or audit or quality assurance is highly desirable
- Skills and experience relating to the provision of financial advice. Knowledge and understanding of the knowledge of the Code of Professional Conduct would also be helpful
- Experience in leading people and managing resources
- Tertiary qualification in a relevant discipline
- Very strong capability in learning and adaption to it systems (including a high level of Microsoft office skills)
- Excellent written and verbal communication skills

## **OUR VALUES** ... how we all approach our work

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The success of FMA will depend on the right capability, capacity and commitment of its staff to fulfil its regulatory mandate and have maximum impact on key outcomes. We look for and expect our people, to live and implement our shared values into their daily work practices -

**Bold** - Enterprising, intrepid, daring

**Proactive** - Strategic, can do, forward-thinking

**Respected** - Astute, credible, fair, accountable, consistent, transparent

**Connected** - Visible, in the know, influential

**Agile** - Nimble, adaptable, energetic.



## POSITION DESCRIPTION

### Principal Adviser AML/CFT, Supervision

<b>Function</b>	Regulation	<b>Direct Reports</b>	n/a
<b>Team</b>	Supervision	<b>Location</b>	Auckland/Wellington
<b>Reporting to</b>	Head of Supervision	<b>Salary Band</b>	7

The Financial Markets Authority (FMA) is responsible for ensuring New Zealand's capital markets and financial services sector provide better outcomes. That's better outcomes for investors, consumers, professionals, businesses, and for the New Zealand economy.

#### **REGULATION PURPOSE ... what we do matters**

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The Regulation team is responsible for monitoring and investigating activities and conduct that pose risks to fair, efficient, and transparent financial markets in New Zealand, and to the objectives and strategic priorities of the FMA.

We strive to deliver these services through an intelligence-led approach that allows us to allocate our resources on the basis of sound risk-assessment to best contribute to the FMA's strategic priorities.

We deliver results by:

Licensing and monitoring market participants, including financial markets supervisors, financial advisers, qualifying financial entities, superannuation and KiwiSaver schemes and their providers, discretionary investment management providers, managed investment schemes and their managers, and derivatives issuers

Receiving, assessing, and responding to complaints and information from the public and from market participants and using information obtained from these sources to better inform the FMA's teams and regulatory actions

Working with supervisors to provide effective oversight of the participants they supervise

Developing intelligence frameworks and products to better inform the FMA's regulatory teams and decision-making

Investigating suspected breaches of financial markets legislation and other obligations of market participants and using the regulatory tools available to the FMA to address breaches of legislation

Supervising anti-money laundering and countering the financing of terrorism law

Co-operating with international agencies that share New Zealand's interests in securities and financial services

#### **POSITION PURPOSE ... what you do counts**

The FMA is one of the three AML/CFT Supervisors in New Zealand and oversees approximately 800 Reporting Entities. The purpose of this position is to be a key member of the Supervision leadership team, providing senior and specialist expertise on the monitoring and supervision activities in the financial services sector with a focus on AML/CFT.

This position supports the Head of Supervision and wider Supervision team to respond efficiently and effectively on a range of monitoring and supervision matters through quality and timely advice.

The Supervision team monitors the conduct, competency and compliance of financial market participants. Our monitoring focuses on financial advisers, brokers and custodians, managers of Managed Investment Schemes (MIS), Derivatives Issuers (DI), providers of Discretionary Investment Management Services (DIMS) and Supervisors.

The team's supervision of market participants is risk-based and intelligence-led. The position will involve active engagement with the entities and individuals supervised by the team, including meetings with senior management, onsite inspections and desk-based reviews of relevant compliance documentation.

This position will be responsible for the more complex issues faced by FMA in its monitoring and supervision activities and reinforce the FMA's reputation as a strong, effective, proactive and respected organisation.



### **KEY RESPONSIBILITIES:**

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Provide visible, enthusiastic and intelligent technical leadership in the area of monitoring and supervision of market participants in accordance with FMA's compliance monitoring framework

Ensure the delivery of high quality regulatory monitoring and interpretation of the law as it relates to the Acts we have responsibility for and make a positive contribution to the ability of FMA to achieve its objectives

Liaise with other functions, and external bodies with regard to responses to consultations and lobbying activity, and advises internal stakeholders of the implications of proposed changes

Provide advice and input to specific cross-functional projects and working groups where required (e.g. advising on consultation documents and presenting where required)

Identify opportunities for and actively engaging with key stakeholders (internal and external) to ensure others are informed, involved and buy-into initiatives and developments

Take a thought leadership role by taking a strategic view of monitoring and supervision issues and being able to direct and develop ongoing policy work

Take a technical mentoring role for all the advisers and senior advisers in respect of being an available resource for difficult issues and to socialise monitoring issues across the wider team to ensure that we are informed

### **OPERATIONS**

Work with the Supervision management team to provide proactive identification, analysis and reporting on issues critical to the overall success of Supervision

Lead the development of creative, well researched and effective advice and recommendations to assist the Head of Supervision and the Director of Regulation to exercise high quality decision making around the strategic and operational management of the FMA Supervision activities

Identify and act on opportunities to improve services provided by Supervision

Provide a committed, well-reasoned, collegial and constructive contribution to the overall management of the Supervision team

Provide expert input into wider FMA projects, discussion groups and committees as required

Work with Compliance's Legal team and Regulatory Policy to provide appropriate guidance to entities and individuals supervised by FMA

Provide coaching and development opportunities for team members and contribute to their professional development

Undertake and deliver one-off projects as required

## MANAGEMENT & LEADERSHIP

Technical leadership of the Supervision function to ensure FMA's Supervision activities are fully compliant with internal policies (use of monitoring methodology, regulatory tools framework, harms assessment documents etc.) as well as assessing that our regulatory response is in accordance with what is required of market participants by relevant laws and regulations

## RELATIONSHIPS

Work collaboratively across FMA, particularly on supervision, monitoring and policy matters to achieve the team's objectives and ensure consistency with FMA policies

Developing positive collegial relationships with external parties that further the goals of FMA

Provide expert input into wider FMA projects, discussion groups and committees as required

Take on a project manager/leadership role on larger and/or significant projects where opportunities arise

Work as a 'virtual team' with other FMA teams to ensure a spirit of professional collegiality, mutual support, and information sharing is fostered and maintained

Work collaboratively with DIA, FIU, RBNZ, MOJ and other stakeholders for AML/CFT

Work collaboratively with other jurisdictions for the development of NZ's international relationships, particularly supporting the Mutual Evaluation process.

The delegations for this position are specified in FMA's Delegations Policy and Framework.

From time to time the job holder may be expected to perform other such duties within their experience and capabilities in response to the changing nature of our work environment

## KEY BEHAVIOURS / ATTRIBUTES ... how you do it counts

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Shows drive, enthusiasm, self-motivation, confidence, and initiative independent of direction from others.  
Facilitating positive working relationships

Leads and empowers others – encourages others to extend themselves and exercise their thinking and decision-making skills, ensures staff know what is expected of them and have the information and support they need to achieve this

Shows courage and commitment to make and see through tough decisions and in the face of obstacles and setbacks

Is accessible - gets out and about and talks to people

Team player, willing to invest time in developing others competence and shares their expertise

Is willing to take responsibility and be personally held to account

Takes a well-considered, forward thinking and planned approach, but responds with agility and flexibility to change

Thinks creatively around issues and makes a positive contribution to solution development and implementation

Demonstrates a sound and pragmatic approach to interpreting and applying legislation and regulations

Thinks creatively around issues and makes a positive contribution to solution development and implementation

Demonstrates commitment and resilience in the face of obstacles and setbacks

Demonstrates FMA's values

## PREREQUISITES ... what you will bring

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Qualifications (Essential/Desirable)

- Tertiary qualification in a relevant discipline
- AML/CFT qualification

#### Knowledge / Experience / Skills (Essential/Desirable)

- Expert knowledge of AML/CFT
- Expert knowledge of FATF/APG immediate outcomes, principles and recommendations.
- Good working knowledge of compliance strategies, processes, systems and policies and legislation relevant to FMA's supervision of the financial services population
- Good understanding of regulatory environment, financial sector and markets in NZ and overseas
- Previous industry experience at a senior level in drafting or reviewing documentation, or policy development experience
- Strong legal skills or technical financial services skills
- Ability to build and maintain positive relationships and work constructively and collaboratively with others
- Ability to motivate, influence and inspire others
- Ability to quickly establish credibility and grow trust and respect
- Strong analytical, critical thinking and reasoning skills
- Ability to assimilate complex regulatory policies/procedures and provide timely and pragmatic commercial solutions
- Strong strategic, operational and project management skills
- Excellent written and verbal communication skills
- Strong self-management skills – sound social judgement, mature and professional conduct, and an ability to effectively manage stress
- Well-developed planning and organising skills, including the ability to maintain performance when under pressure, and consistently deliver on time and to a good standard
- Managing and handling confidential information
- Very strong capability in learning and adaption to IT systems (including a high level of Microsoft office skills)

#### **OUR VALUES** ... how we all approach our work

---

The success of FMA will depend on the right capability, capacity and commitment of its staff to fulfil its regulatory mandate and have maximum impact on key outcomes. We look for and expect our people, to live and implement our shared values into their daily work practices -

**Bold** - Enterprising, intrepid, daring

**Proactive** - Strategic, can do, forward-thinking

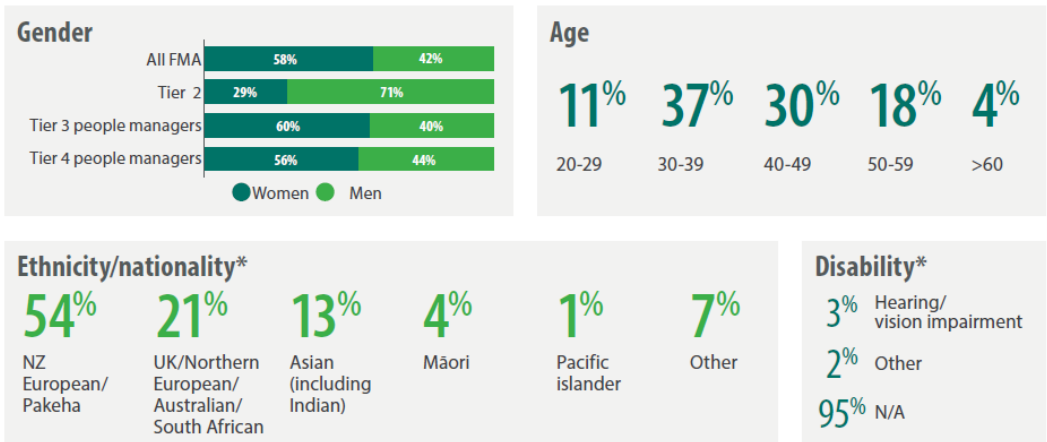
**Respected** - Astute, credible, fair, accountable, consistent, transparent

**Connected** - Visible, in the know, influential

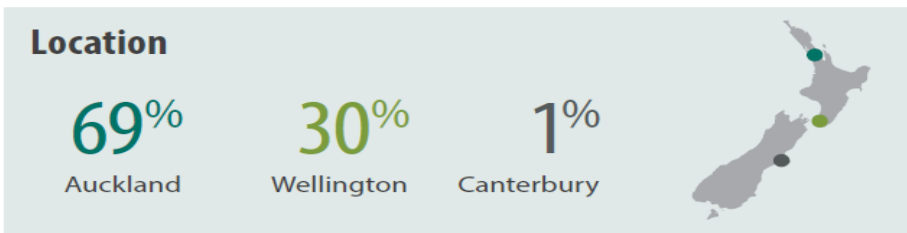
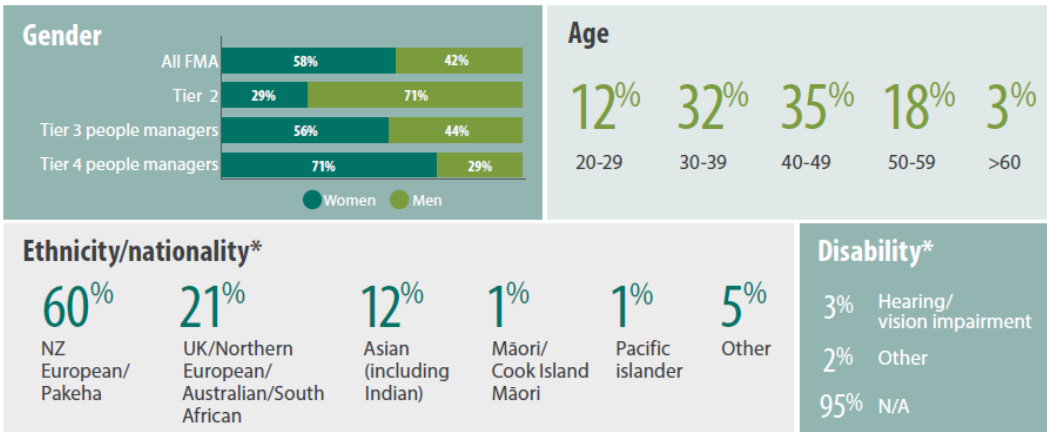
**Agile** - Nimble, adaptable, energetic.

## SCHEDULE 2: DEMOGRAPHIC INFORMATION FROM LAST FIVE YEARS' ANNUAL REPORTS

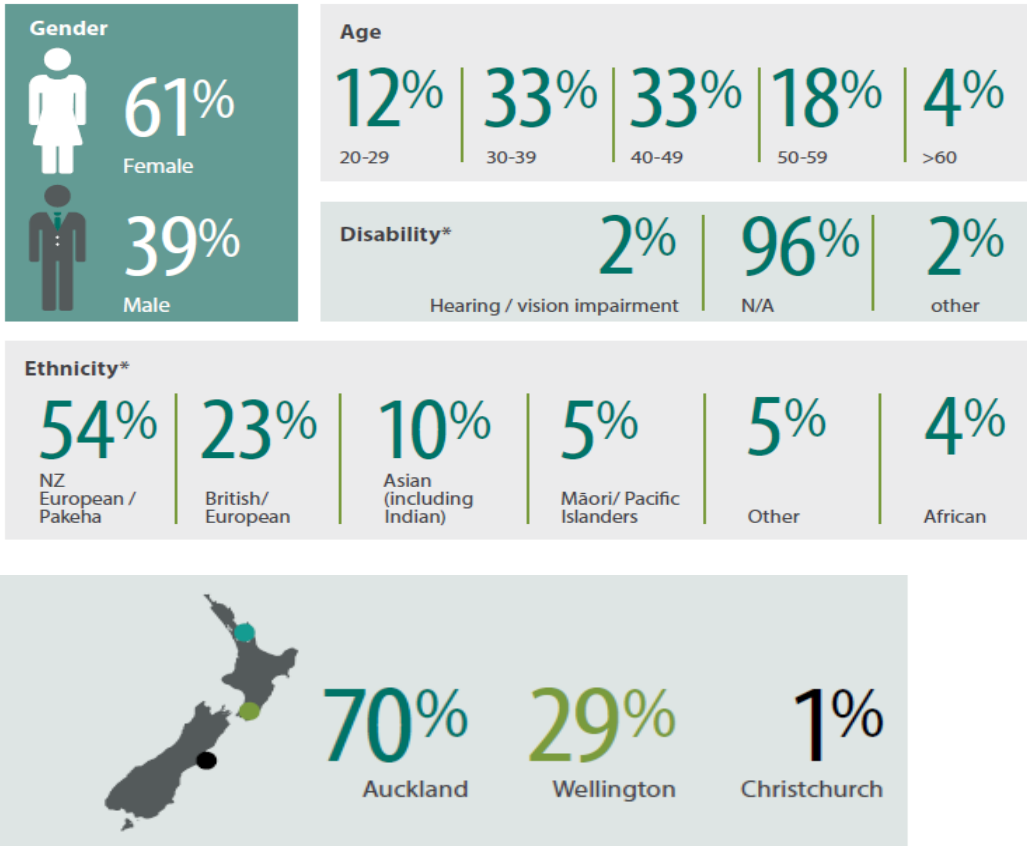
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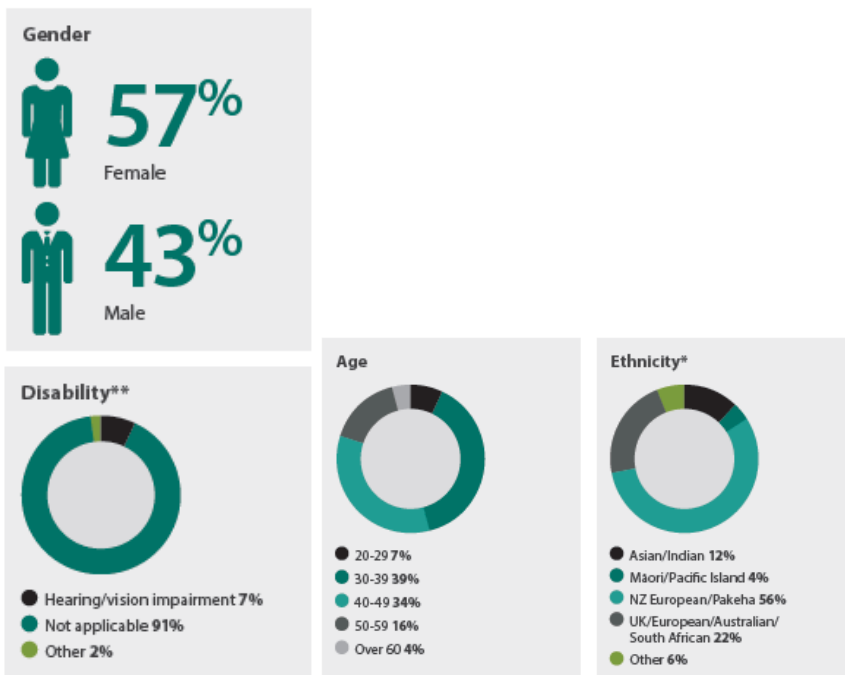
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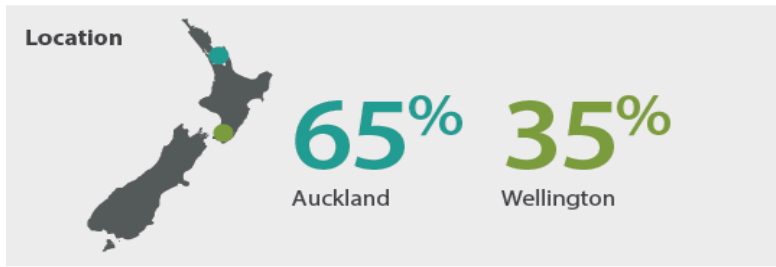


Data for year ended 30 June 2017:



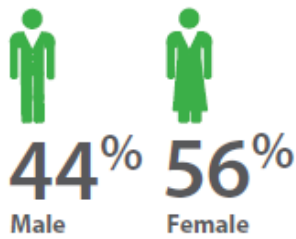
Data for year ended 30 June 2016:



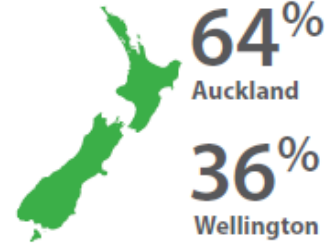


**Data for year ended 30 June 2015:**

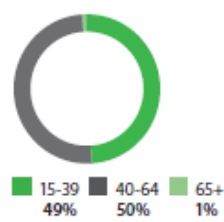
**Gender\***



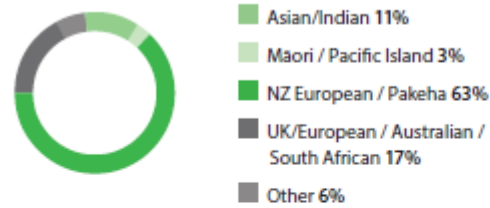
**Location\***



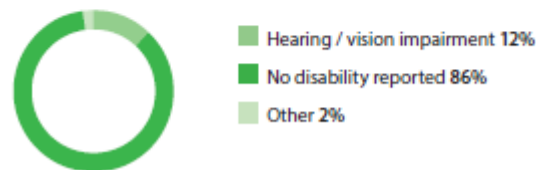
**Age\***



**Ethnicity\***



**Disability\***



\*Based on voluntary information provided by staff